

**IN THE UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF TEXAS**

**JONATHAN VILLAREAL,  
individually and derivatively on behalf  
of ZROBLACK, LLC.**

**Plaintiffs,**

**V.**

**JOHN SAENZ, MIGUEL VILLARREAL, JR., and GUNN, LEE, & CAVE, P.C.**

## Defendants

~~~~~

CIVIL ACTION NO. \_\_\_\_\_

## AMENDED DECLARATION AND VERIFICATION OF JONATHAN VILLAREAL

1. My name is Jonathan Villareal. I am above the age of 18 and competent to make this unsworn declaration. I have reviewed Plaintiffs' First Amended Complaint and First Amended Application for Seizure, Temporary Restraining Order, Preliminary Injunction, and Permanent Injunction, the facts within are within my personal knowledge and are true and correct. Furthermore, except as otherwise indicated, the following facts within this Second Declaration are within my personal knowledge and are true and correct.

2. I am an individual and resident of Boerne, Kendall County, Texas.

3. I am an American Security Engineering Consultant with over 12-years of experience in the following disciplines: (a) Enterprise IaaS, PaaS, & SaaS Development and Deployments, (b) IOT & Mobile Device Identification, Diagnostics & Erasure, (c) Mobile Security Engineering & Forensics, (d) RF Cryptographic Analysis, (e) Electromagnetic Warfare Engineering, and (f) Long Range Data Recon & Interception. I am a graduate of the University of



Tennessee, Knoxville, with a Bachelor of Arts in Philosophy and Mathematics. I am a graduate of Colorado Technical University where I obtained a Master of Science in Computer Science, Cyber Security Engineering and currently a Doctor of Science in Computer Science, Cyber Security Engineering. My private sector clients have included [REDACTED]

[REDACTED] I am a doctoral candidate working on my thesis, “The Weaponization of Data Clearing.” As part of my doctoral studies, [REDACTED]

[REDACTED] Unfortunately, my reputation for this type of work can never be translated into a profitable business as long as Saenz holds ZroBlack’s data and funds hostage.

4. I developed proprietary technology which allows one to access cell phones, including iPhones. This technology can be used to access a cell phone wirelessly and wipe the data. This is useful, in that if a user’s phone is stolen, the owner can wipe its data remotely even if the security password has been changed. My company, Plaintiff ZroBlack, LLC (“ZroBlack”), is one of the few companies in the world that can do this.

5. The proprietary software disclosed in Plaintiff’s complaint can not only delete and erase data from secure cell phones, but it can also recover and copy the cell phone data wirelessly. It can even recover data that has supposedly been deleted. This includes data from Apple, Inc. iPhones and iPads. Because Apple, Inc. sometimes resists government efforts to “crack” cell phone

security, my software solution is of significant interest to the U.S. government because it solves that problem.

6. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

7. In October of 2018, I was negotiating with [REDACTED] for the licensing of the technology. [REDACTED] is a subsidiary of [REDACTED] an international data security company. [REDACTED] specializes in data erasure for governments and businesses. [REDACTED] is a leading global provider of mobile device diagnostics and secure data erasure solutions and is the industry standard in data erasure and mobile device diagnostics. [REDACTED] data erasure solutions have been tested, certified, and approved and recommended by more than 15 governments, including the U.S. government.

8. Although I had created these products all on my own, I knew I would need help with marketing my technology for sale, whether to [REDACTED] or some other company.

Unfortunately, the associate I was attempting to work with initially was not able to perform and we parted ways before the technology could be sold.

9. After speaking with me about my tech inventions in the last week of December 2018 John Saenz (“Saenz”), who is married to my cousin, claimed that he could fill voids my previous associate could not. Saenz stated in a text message, “How can I ride this train.” “Your technology is the “cash cow.” “You’re the work horse that makes the money and the face possible.” Saenz represented to me that he had the business experience and government contacts to market the technology to the government. He represented that he could use his “contacts” in the military and technology business sectors to bolster sales and proposed forming a company as a vehicle to market the technology. That company was to be ZroBlack. I believed him and, as a family member, trusted him. I relied on the representations he made, and as a result we agreed to form a limited liability company to market the software to [REDACTED]. Saenz was to be CFO and I took on the technology role as Security Engineer and Chief Executive Member as noted in the LLC Agreement. Saenz ejected my former associate, who introduced me to [REDACTED], from the business.

10. I paid the registered agent for the formation of Zroblack LLC and for a year’s worth of service for a post office box for ZroBlack, LLC. I agreed to pay for these larger upfront company expenses because I was the only one able to. Since I purchased the registration and the first year of service at the post office box, Saenz agreed to purchase ZroBlack’s domain name, [www.zroblack.com](http://www.zroblack.com), from GoDaddy. After I walked him through the process and explained to Saenz what a “Zero-day” vulnerability was, and how it related to “Black” ops, on January 11, 2019, Saenz reserved ZroBlack’s domain name, [www.zroblack.com](http://www.zroblack.com), from GoDaddy on behalf of ZroBlack. He did this in anticipation of our forming ZroBlack, and he was to hold the domain name on behalf of ZroBlack. GoDaddy hosted ZroBlack’s website and email server. Saenz gave

me access to the GoDaddy account where the domain was being held, but that access was later revoked, and the password was changed once Saenz and I signed the release. Login records, password change, and email deletion records for all Zroblack.com activity live on Godaddy.com. The login and password information for accessing ZroBlack's GoDaddy account and for accessing the laptop was confidential and not shared with anyone.

11. On January 14, 2019, we formed ZroBlack, LLC, organized under the laws of the State of Delaware. Exhibit 2 is a true and correct copy of the company's Certificate of Formation. Saenz and I were ZroBlack's founding members and each owned fifty percent. ZroBlack was founded as a security engineering firm to provide applications and services regarding cell phone data capture and erasure. We planned to offer two different types of software, one for commercial use and one for governmental use. I was to perform all the in-house coding, hardware engineering, and servicing of the technology. Saenz was responsible for client engagement and promoting the company.

12. Saenz and I executed a Limited Liability Company Operating Agreement for ZroBlack, LLC (hereinafter, "Operating Agreement"). Exhibit 3 is a true and correct copy of the Operating Agreement. Section 4.7 of the Operating Agreement states:

Title to the Company's assets will be held in the Company's name or in the name of any nominee designated by the Members. The Members have power to enter into a nominee agreement with any person, and that agreement may contain provisions indemnifying the nominee, except for his or her willful misconduct.

13. After the formation of ZroBlack, on March 31, 2019, I assigned my intellectual property rights for the software and hardware technology, which included the code for accessing cell phones wirelessly, wiping or downloading information from cell phones and tablets, and recovering erased data from cell phones and tablets, as well as the drawings and schematics for

the hardware that makes the aforementioned possible, to ZroBlack. Exhibit 4 is a true and correct copy of my Assignment of Intellectual Property Rights. However, I do not have a signed copy. Saenz has the signed assignment and has refused to give me all company documents. ZroBlack's trade secrets consist of my code for accessing and wiping information from cell phones.

14. In connection with his duties as CEO, on May 2, 2019, Saenz purchased 15-inch Apple MacBook Pro for \$2,631.00. The purchase order reflects that the laptop was ordered "John Saenz, Zroblack, at 1150 N. Loop 1604-W, Ste 108-259, San Antonio, Texas 78248," which was ZroBlack's post office box address. It was purchased with a debit card ending with the number 8032, which was a debit card issued in ZroBlack's name. Exhibit 5 is composed of true and correct copies of the purchase order, receipt, and ZroBlack's bank statement showing the debit amount to its bank account. The laptop computer's part number was MR94LL/and the serial number is C02YF1Y9JG5J. The laptop is located at Saenz's residence, 28710 Estin Height St., San Antonio, Texas 78260. In addition to the code described above, ZroBlack's trade secrets also consist of the hardware schematics, hardware drawings, and login and password information for ZroBlack's GoDaddy account and for accessing the laptop.

15. On March 15, 2019, ZroBlack executed a non-disclosure agreement ("NDA") with the technology company located in [REDACTED] and with whom I had been negotiating. The purpose of the NDA was to allow ZroBlack to disclose trade secrets to [REDACTED] during contract negotiations while maintaining the secrecy of those trade secrets. The trade secrets included the software code. Exhibit 6 is a true and correct copy of the NDA. A copy of that code is located on the ZroBlack laptop that Saenz purchased.

16. On or about April 15 2019, ZroBlack entered into a Professional Services Agreement ("PSA") with [REDACTED], wherein ZroBlack would pass down its knowledge of mobile

devices, consult with the customer on its software development and coding, hardware development, and organize and document the process of supporting the ability to identify, diagnose, clear, and validate certain devices. The contract price was One Million Five Hundred Thousand Dollars (\$1,500,000.00) to be paid up front and a fourteen and one-half percent (14.5%) earn out on new customer revenue and existing customer growth. Exhibit 7 is a true and correct copy of the PSA. After procuring a contract from [REDACTED], ZroBlack grew to as many as ten employees.

17. Saenz had the \$1.5 million transferred into a Wells Fargo business account that he had established for ZroBlack. Saenz then transferred \$740,000 of those funds to his personal account. Exhibit 8 is a true and correct copy of the Bank Statements for the account showing the deposit of \$1,500,000 and Saenz's withdrawal of \$740,000. I opened a new account at Wells Fargo listing ZroBlack, LLC as my employer and declaring the newly opened account my distribution account. I transferred \$740,000 to this newly formed distribution account according to the terms of the LLC agreement and then setup a meeting with a payroll service to ensure proper distribution of funds. Saenz refused to attend the meeting with the payroll service, then quickly started to cut all ZroBlack business communications, and began spamming my ZroBlack inbox more than before with "Hot Stock To Buy" emails.

18. ZroBlack retained the services of Gunn, Lee & Cave (hereinafter, "Gunn Lee law firm") and specifically attorney Miguel "Mike" Villareal (hereinafter, "Mike") to advise on the contract negotiations with [REDACTED]. Mike Villareal and I are not related. Shortly before signing the PSA, on or about April 12, 2019, I emailed Mike and discussed negotiations with [REDACTED]. In the mail, I stated:

John and I went through it [PSA] last tonight, he had concerns, but at the end of our talks we worked out the logic behind the revenue sharing.

I hope this closes today too, hard lessons have been learned for sure. If we sign today, it's basically as though we are getting a \$750,000 salary each for 2019. Do you have a recommendation for an attorney that can setup a trust for me?

Exhibit 9 is a true and correct copy of the email. The email demonstrates that \$1.5 million dollars was to constitute salary for us through the end of 2019. The money was not a gift, nor was it deemed earned upon the signing of a contract with [REDACTED].

19. Before the PSA was signed [REDACTED] required a legal document that identified all of ZroBlack's assets. This document entitled IP Due Diligence was filled out by Saenz and emailed to [REDACTED] executives, [REDACTED] legal counsel, and Mike Villarreal. The IP Due Diligence document lists ZroBlack.com among other domains, as intellectual property ZroBlack owns. The IP document also includes the ZroBlack LinkedIn business account as an asset. Exhibit 39 is a true and correct copy of the IP Dule Diligence document.

20. The PSA included confidentiality provisions. Section 7.1 provided that all deliverables and inventions and all other information (including computer programs, technical drawings, algorithms, know-how, formulas, processes, ideas, inventions (whether patentable or not), schematics, and other technical, business, financial, and customer and product development plans, forecasts, strategies and information) that ZroBlack, Saenz, or I developed, learned, or obtained in connection with the services they rendered under the PSA constituted the proprietary information of [REDACTED] ZroBlack, Saenz, and I were required to hold that information in confidence and not use or disclose it. Section 7.2 of the PSA stated that upon termination of the PSA or as otherwise requested by [REDACTED], ZroBlack, Saenz, and I would promptly return all items and copies containing or embodying proprietary information including all deliverables and work-in-progress.

21. Miguel “Mike” Villarreal and the Gun, Lee & Cave law firm began representing ZroBlack at the end of the negotiation process. The representation began as a normal corporate representation, where the law firm and the Mike were advising us on matters regarding the company, including the contract with [REDACTED]. Exhibit 12 is a true and correct copy of the Engagement Agreement. Soon after ZroBlack executed the PSA, however, Saenz and I came to cross purposes over Saenz’s lack of performance and misappropriation of company funds.

22. After ZroBlack signed NDA and PSA, Saenz tried to shop the technology to others, including an individual named Roger Graham, who was formerly with UBS Financial, currently employed by Wells Fargo. This is the same bank Saenz wanted the \$1.5M deposited into and opened the account without my signature. Two (2) Financial Pages in the LLC agreement were fraudulently withheld from me, and do not contain my signature, but contain John’s signature only. The stock certificate was also withheld from me as Saenz and I had agreed that I would be majority shareholder, but Saenz had a different plan from the beginning. I warned Saenz that he was in violation of the NDA and the confidentiality provisions of the PSA. Saenz threatened to continue to try to market the code.

23. After signing the PSA, Saenz took half of the upfront payment (\$740,000) and then performed very little work for ZroBlack. According the LLC agreement Article VI Bookkeeping, Section: 6.2 – Member’s Accounts, Saenz is required to return all money paid in advance by the company upon leaving the company. Saenz and I agreed to these provisions when we signed the LLC Agreement. Business releases do not release anyone from the legally binding government contract with the US Department of Treasury such as the one Saenz and I signed during the ZroBlack, LLC formation.

24. In May 2019, [REDACTED] required both Saenz and I to travel to [REDACTED]. Saenz refused, but he eventually showed one week late. Two days after arriving in [REDACTED], Saenz sent an email to ZroBlack's Client, VP of Technology stating that I would take care of 100% of the technical and that he (Saenz) would no longer be attending morning meetings but would check up from time to time:

I wanted to send you a note to clarify my role on these calls. I will be on from time to time as an observer and to offer guidance from ZroBlack's point of view. Jonathan can handle all the technical side of the conversations.

Exhibit 10 is a true and correct copy of the email Saenz sent.

25. I was required to return to [REDACTED] during the week of June 8 to 15, 2019; Saenz refused to accompany me. Saenz went to [REDACTED] only once. Saenz was also charged with completing tax returns and paying the quarterly business taxes, but he did not.

26. Saenz used most of the \$740,000 he took from ZroBlack. Saenz invested around \$305,000 into the stock market. Saenz also used around \$423,850 in multi-property renovations. As a result of Saenz's refusal to perform his work, I grew very frustrated. On June 26, 2019, I notified Saenz by text message that I wished to dissolve our partnership. Exhibit 11 is a true and correct copy of the text message I sent to Saenz. In the notification, I took him to task for not doing any work, stating:

You can't sit back and expect a paycheck. You can't say you front loaded the contract then dip out. Besides, I did a huge part to close out the contract, I did the entire due diligence and put the entire BROX document together. I expected you to do work after we got paid, this isn't a free ride man. [REDACTED] only wants to go forward with me for a reason and I don't know what happened to you. I don't know why you stopped working after getting paid \$750k.

*Id.*

27. After I threatened to dissolve the partnership, Saenz got Mike Villarreal involved further. Mike and the Gunn Lee law firm undertook to represent both me and Saenz in negotiations

to settle our dispute. One of my concerns was the \$740,000 John Saenz withdrew from the \$1.5 million paid to ZroBlack. Those monies were paid in advance, and ZroBlack's customer expected ZroBlack, Saenz, and I to perform under the contract, but Saenz refused to perform his obligations to ZroBlack and its customer. Furthermore, Saenz would not agree to take steps to ensure his performance, despite being told by Mike during a meeting in Mike's office in July 2019 that he (Saenz) had breached his fiduciary duty to the company.

28. To salvage the relationship, on or about July 27, 2019, Mike suggested that I set tasks for Saenz. Saenz refused to have the tasks incorporated into any agreement, sending a text message stating he would not "agree to tie a contract to daily tasks because that could be easily manipulated." Exhibit 13 is a true and correct copy of that text message. I responded, "Seriously. Please dude. That's not fair. I literally have my work planned out for an entire year I'm asking you for one month. Hello? How can I help you with it?" Saenz also refused Mike's suggestion that his CEO duties be incorporated into the company operating agreement.

29. After Saenz took the \$740,000, ZroBlack was forced to cut salaries of its employees, and eventually let go ZroBlack's CTO, whom Saenz acknowledged in text that without the CTO, it would be almost impossible to complete the [REDACTED] PSA. Exhibit 40 is a true and correct copy of that text message. Saenz refused to assist ZroBlack in paying bills and I was not able to make the tax payment. I was forced to incur serious debt to get the capital to complete the deal with ZroBlack's customer in [REDACTED]. I began selling my personal property including electronics used for R&D and my wife's wedding ring to ensure that ZroBlack could maintain working capital.

30. Because Saenz is married to my cousin, our falling out began to cause strife in the family. The family relationship was very important to me. My dispute with Saenz was causing

stress and hard feelings between my father and his brother, cousins, and others in the family. Mike began emphasizing to me that I needed to settle with Saenz by “thinking about the family.” Saenz began demanding that the \$740,000 he took from ZroBlack be characterized as a “gift” for tax purposes. I refused to do this as I believed it would violate the law. On July 17, 2019, Saenz offered to assign all of his interest in ZroBlack to me if ZroBlack would characterize the \$740,000 as a gift. Exhibit 27 is a true and correct copy of the text message. I refused to characterize the \$740,000 as a “gift.”

31. After Saenz and I disagreed on how to qualify the \$740,000 from ZroBlack, we decided it was time to part ways. The money that Saenz had embezzled from the company had to legally be returned, on a basis to be structured by Mike and the Gunn Lee law firm. Mike did not adequately advise me or ZroBlack as to the consequences of what we were doing and structured an agreement that hurt both me and ZroBlack.

32. On or about July 17, 2019, I sent a text message to Saenz, saying:

Thanks for the call, it's disappointing that you had no idea we had a product released already. It's disappointing that you were not on the phone call this morning for our morning meeting. It's disappointing that you never responded to may emails letting me know what you did for our client that paid our company \$1.5 million, it's disappointing that you say you're going to taking [*sic*] legal action against [Foreign Customer], it's disappointing that you cannot provide me with what you have done for our client for the last 2 months.

Exhibit 14 is a true and correct copy of the text message.

33. Mike and the Gunn Lee law firm eventually prepared a document titled “Release.” Exhibit 15 is a true and correct copy of the Release. The Release made no express provision for the return of the \$740,000 to ZroBlack, despite my continued requests that the money be returned. The Release also contained no express requirement that Saenz return property to ZroBlack, which included not only the \$740,000 and a laptop computer belonging to ZroBlack, but also ZroBlack's proprietary and trade secret information. It did not have an express provision requiring the return

of ZroBlack's domain name, webpage, and email server. Rather than clarify that ZroBlack owned this property and Saenz was required to return it, the Release required Saenz to assign all his ownership interest in ZroBlack to me, thus assuring ZroBlack's ownership and return of its property.

34. The release involved 4 parties and required specific provisions from [REDACTED]. [REDACTED] was not involved with the release, and there were no signatures from [REDACTED] on the release. I was later to register ZroBlack, LLC as a foreign entity doing business in Texas, a task Saenz refused to do for the company while employed by ZroBlack. I Jonathan was required to spend \$1,000.00 to properly register ZroBlack just to ensure that I was compliant with the release and be able to arbitrate if necessary, in the state of Texas. Saenz was not required to spend any money, and in fact left ZroBlack with all of his unpaid legal fees from Gunn-Lee, stating to Mike Villarreal that he refused to pay. The release requires [REDACTED] to directly pay Saenz for the earn outs and demands that [REDACTED] send all earn out statements to Gunn-Lee whom they have no involvement with and were not made aware of their fictitious involvement in this release. [REDACTED] would jeopardize their own business, break NDA's with their Fortune 500 clients if this release were actually binding. The release requires the John be paid out on "BriX Core Technology." BriX Core Technology is a theory of mobile devices, and this theory explicitly denies mobile device erasure and much more. Mobile device erasure is one of the main ways [REDACTED] gets payment from clients, and the reason why I was negotiating with [REDACTED] in the first place. There could never be a 2% payment on "The theory of mobile devices." [REDACTED] would never be able to create itemized statements to directly send to Gunn-Lee for the "Theory of mobile devices." I would know this because I am the inventor of the BriX document. It is clear that Saenz did not even understand the technology and was there to get himself out of stock market gambling debt, and extort me for

money. Saenz was very aware of my liver tumor, and even wrote in a future plans document that he wanted power of attorney of me and my “Big Brain.” After giving Saenz a very obscure update following the first month after the release was signed, Saenz blocked my email address. How was I supposed to be able to even honor the release if Saenz was intentionally sabotaging it?

35. Saenz and I executed the Release on August 9, 2019 while negotiations regarding the \$740,000 were ongoing. Section 7 of the Release states that “Each Party hereto fully releases the other Parties from all claims and demands, known or unknown.” Section 7 goes on to discuss claims that are known and unknown. It does not address inchoate claims or claims that have not yet accrued. This section also forces [REDACTED], a publicly traded company and the 4<sup>th</sup> party into agreeing to a contract they knew nothing about and did not sign. The release forces me to break my NDA with [REDACTED] in order to update John about all new technologies and developments

36. Saenz and I also executed a Unanimous Written Consent in Lieu of Meeting by ZroBlack’s membership (hereinafter, “Consent”). Exhibit 16 is a true and correct copy of the Consent. The second “WHEREAS” in the Consent states, “the undersigned wish to memorialize John Saenz’s assignment of his entire interest in ZroBlack LLC to Jonathan Villareal.” The first “RESOLVED” states that “John Saenz hereby assigns his entire interest in ZroBlack LLC to Jonathan Villareal pursuant to Article VII of the ‘Limited Liability Company Operating Agreement for ZroBlack LLC’ dated January 14, 2019 and applicable laws, ...” Saenz assigned all of his ownership interest to me, and relinquished all claims of any ownership of ZroBlack’s property, including the laptop and proprietary code contained therein, the ZroBlack domain, and ZroBlack’s DUNs and CAGE numbers and SAM.gov account.

37. Just prior to execution of the Release and Consent, on or about August 1, 2019, Saenz, myself, ZroBlack, and [REDACTED] executed a First Amendment to Professional Services

Agreement (hereinafter, “First Amendment”). Exhibit 17 is a true and correct copy of the First Amendment. The First Amendment releases Saenz from his obligations under the PSA, save and except the obligations of confidentiality in Section 7 of the PSA, which would survive.

38. Nonetheless, after the deal for Saenz’s to exit ZroBlack was struck, Saenz continued to want the money he had taken from the company to be construed as a “gift.” This was an ongoing dispute between Saenz and me. I anticipated providing service to the United States federal government and I told Saenz that I would never agree to qualify \$740,000 Saenz took as a gift. In fact, I gave Saenz an ultimatum: return stolen money, or face the harsh consequences. This was the same discussion I had with attorney Mike and the Gunn Lee law firm.

39. Saenz had already deleted my email account [jv@zroblack.com](mailto:jv@zroblack.com) on August 14<sup>th</sup>, 2019, and on August 15, 2019, I asked Saenz to release ZroBlack’s webpage. Saenz said he would “look into it.” This looking into it would never happen and the illegal and fraudulent actions by Saenz continued in full force stripping ZroBlack of all that it legally owns, and even further extorting Jonathan for more money in the form of percentages of revenue. Exhibit 18 is a true and correct copy of my text exchange to him requesting transfer of website. Exhibit 19 is a true and correct copy of an email I sent Saenz requesting transfer of website. Despite my requests for return, Saenz continues to hold the domain name. Later, Saenz demanded I pay him \$7,000 for the domain name, webpage, and email server. August 15<sup>th</sup>, 2019, Saenz emailed Mike Villarreal, his assistant, and myself stating that he would no longer be using [je@zroblack.com](mailto:je@zroblack.com), but that could not have been farther from the truth.

40. Since then, Saenz has taken the website down effectively terminating ZroBlack’s ability to gain new clients. Saenz also deleted the email server, thereby destroying thousands of emails and documents related to the [REDACTED] project and other projects. Saenz currently holds

access to ZroBlack's GoDaddy domain name hostage, so I have no access to the site and no opportunity to attempt to recover the webpage and emails.

41. Saenz's refusal to release ZroBlack's GoDaddy account, which hosts ZroBlack's domain name, webpage, email server, and is the access point to ZroBlack's LinkedIn business account, has left me and ZroBlack without access to thousands of email documents, client contact information, future company plans, business banking statements, business expense receipts, NDA's with 3<sup>rd</sup> parties, signed contracts with 3<sup>rd</sup> party electronics resellers such as [REDACTED] and much more critical data that ZroBlack has needed for over 16 months to operate, file taxes, apply for the paycheck protection program with no avail. Saenz has also intentionally destroyed and is currently compromising data owned by ZroBlack, including ZroBlack's webpage which has been unsecured for 16 months, further damaging ZroBlack's reputation as a security engineering firm. Saenz has deleted [jv@zroblack.com](mailto:jv@zroblack.com), and [info@zroblack.com](mailto:info@zroblack.com), actions that were confirmed by GoDaddy. Exhibit 41 is a true and correct copy of the email from GoDaddy confirming the accounts no longer exist. Saenz has only kept [je@zroblack.com](mailto:je@zroblack.com) active which was the email address Saenz used when he was employed by ZroBlack.

42. Saenz has also renewed the ZroBlack.com domain for another year. Further proof of Saenz's actions can be seen by going to <http://email.zroblack.com> and clicking the forgot password link. If the user types in the email address [je@zroblack.com](mailto:je@zroblack.com) as the email address for which he has forgotten the password, he is given 3 different options to reset the password; one of the options is to send a password reset link to Saenz's personal Gmail account. If the user were to try and click forgot password, however, for [jv@zroblack.com](mailto:jv@zroblack.com) and [info@zroblack.com](mailto:info@zroblack.com) the GoDaddy email servers say, "The email address does not exist in our system."

43. Additionally, because Saenz has not released the GoDaddy account ZroBlack, cannot update its contact and ownership information for its Dun & Bradstreet number (known as a (DUNS number) which is critical for establishing business credit, bidding on government contracts, and filing business taxes. ZroBlack is not able to access, verify ownership of or update information for the following Government Issued IDs that can only be accessed on official US Government Websites: CAGE number (Commercial and Government Entity" code), NCAGE (NATO Commercial and Government Entity), USPTO (United States Patent and Trademark Office), Federal Service Desk (FSD.gov), United States Grants (Grants.gov), U.S. Small Business Administration (sba.gov), Texas Comptroller of Public Accounts, and access to Restricted FOUO (For Official Use Only) government contracts listed on SAM.gov (System for Award Management), The Official United States Government portal for verified and vetted business entities allowed to bid on US Government contracts. Saenz setup these accounts for ZroBlack using his personal cellphone number as a contact number, and my physical home address as the place of business for ZroBlack since the government would not take PO Boxes for business addresses. ZroBlack also cannot obtain an Apple Business Developer's account. For security purposes Apple needs to verify the phone number associated with ZroBlack's DUNS phone number. This phone number is Saenz's personal cell phone number. The Apple Business account for ZroBlack was established the day that Saenz purchased the company MacBook Pro at the Apple store with company funds. Apple has made several attempts have Saenz change his phone number, and emails from Apple state that Saenz has refused. To further add insult to injury Saenz even refused to return the keys to ZroBlack's mailbox that I paid a year for and signed a contract stating that fees will be incurred if mailbox keys are not returned.

44. These actions have already caused ZroBlack significant damages, including loss of several multi-million-dollar contracts with the [REDACTED]. The greater threat, however, which the law and the interests of justice and public safety require this Court to address, is the immediate and irreparable injury that is bound to occur if Saenz is allowed to continue obstructing ZroBlack's data security work, or the real nightmare scenario, what would occur if Saenz, a data security neophyte, allows the ZroBlack software in his possession to fall into the wrong hands which Saenz has proven he would do, when he shopped around ZroBlack software even after signing a contract saying he would not do.

45. I also asked Saenz to return the laptop computer belonging to ZroBlack. This is the laptop computer that was purchased with ZroBlack's debit card, on or about May 2, 2019, and described above. Saenz refused this request also and he still maintains control over it even though I have requested its return multiple times. This computer contains proprietary code related to ZroBlack's phone security project.

46. On September 12, 2019, I emailed Mike advising him that Saenz had deleted all the emails from ZroBlack's email server. Exhibit 20 is a true and correct copy of the email I sent. Then, on September 13, 2019, I emailed Mike again asking for help:

I'm beside myself right now, and really struggling with everything, I can't eat, I can't sleep, my anxiety and stress is so high, and for the next 3 years if I continue like this I'll end up losing my contracts and not be able to work.

I have worked too hard to allow myself to slip like this. I need help Mike, this is not right. I've done nothing wrong. John got \$750,000 cash, and there has to be a way for me to stop this madness, get him to give up the 2%, get my company website, my company documents, and my company computer. Like I said, I have a company that pays real taxes, has 10 real employees, we have a real physical location, and I can't even put up my company website.

Exhibit 21 is a true and correct copy of the email sent. Mike continued to try to negotiate a resolution between Saenz, myself, and ZroBlack.

47. On or about September 19, 2019, I again emailed Saenz, copying Mike, demanding the return of ZroBlack's property, including the laptop containing proprietary code, ZroBlack's web domain and webpage, and ZroBlack's emails. I also demanded return of the \$740,000 Saenz misappropriated from ZroBlack. Exhibit 22 is a true and correct copy of that email. I sent a similar email to Saenz and Mike on September 20, 2019, explaining why I believed Saenz should return the \$740,000 and other property of ZroBlack. Exhibit 23 is a true and correct copy of that email.

48. On or about September 26, 2019, Mike tried to arrange a meeting between Saenz and myself to discuss settling our dispute and offered his offices as a place to have the discussions. Mike gave his available days and stated that "we are trying to resolve your difference, not attempting to take advantage of each other. I appreciate you both willing to show good faith on both your parts in coming together and seeing if a resolution can be reached." Exhibit 24 is a true and correct copy of the email I received from Mike trying to arrange the meeting.

49. Despite promises to appear for a meeting, Saenz kept putting it off until I decided it was time to take our dispute in a different direction. I emailed Mike and stated as much. Exhibit 25 is a true and correct copy of the email chain between Mike and me.

50. Saenz has not returned the money he stole from ZroBlack. He has not returned the web domain and webpage, emails, laptop, and other proprietary information belonging to ZroBlack and [REDACTED]. Saenz intentionally has been jeopardizing my relationship with [REDACTED] by refusing to turn over IP paid for by [REDACTED], and invented by me Jonathan Villarreal. Saenz continues to hold on to ZroBlack's property and refuses to return it. The ZroBlack laptop that Saenz took contains proprietary information and trade secrets belonging to ZroBlack. Saenz also threatened me that he would "muck up" my life if I did not turn over the company and assign it to him. Saenz has called and emailed my client [REDACTED], months after signing the release, threatening legal action

if they do not pay him 2% of all my earnings for the next 3 years. [REDACTED] legal counsel informed me and ZroBlack that they do not appreciate being involved in my personal matters, and they expect that they will not be the center of fraudulent documents in the future. [REDACTED] informed me that they told John to stop calling and emailing. I was told they said they will not be paying John any money, as he has voluntarily removed himself from his previous contract and that this matter has nothing to do with them.

51. I trusted Mike and the Gun Lee law firm. I am not an attorney and am not familiar with legal issues. I trusted and relied on Mike and his firm to guide me and navigate the dispute with Saenz. I placed my trust in Mike and the Gun Lee law firm, just as ZroBlack trusted them as ZroBlack's corporate counsel.

52. Mike failed to disclose the extent of his relationship with Saenz. Mike continued to pressure me to resolve the dispute for "the sake of the family."

53. On or about February 22, 2020, I attempted to contact Saenz to collect back the money that he had took at the close of the [REDACTED] deal. After we signed the Release, Saenz failed to turn in all company assets to including, money, computers, email servers, website, non-disclosure agreements, company contacts, original documents, and everything else that belonged to ZroBlack. February 22, 2020, Saenz said in a recorded phone call that the money he took "was from the company," further saying, "we were partners in a company so it's not stealing, it's not embezzlement, it's not anything."

54. ZroBlack is the owner of trade secrets. The trade secrets relate to products and services used in interstate and foreign commerce, mainly in the contract with [REDACTED]. ZroBlack's trade secrets are composed of its proprietary software code built and maintained by me and which can be used to access cell phones wirelessly.

55. The software code has economic value by not being generally known to others. Because the code is not known to others, ZroBlack can use the code to provide cell phone data erasure services to clients. ZroBlack is one of the few companies in the world that can perform the erasure services wirelessly. The economic value of ZroBlack's trade secrets is evidenced by its contract with [REDACTED], which paid \$1,500,000 upfront for access to the technology, as well as a 14.5% payout on new and existing customers during the lift of the contract.

56. ZroBlack took steps to maintain the secrecy of the software code. The software code was known only to those in managerial positions; as the chief executive officer and a trusted employee, Saenz had access to the code. This information was not shared with others outside of management and was secured and password protected.

57. After Saenz assigned all his interest in ZroBlack to me, he was no longer authorized to use the laptop or access the information on it. He also no longer had authorization to access ZroBlack's domain name or its email server and emails; nor did he have authorization to delete the webpage and email server.

58. I made several attempts to regain possession of the laptop and the code it contained, as well as access to ZroBlack's domain name, webpage, and email server. ZroBlack and I have spent over \$5,000 in attorney's fees paid to Gunn, Lee, & Cave trying to get the laptop and domain name back. Exhibit 26 is a true and correct copy of Gunn, Lee billing statements which contain billing entries related to my efforts to obtain the return of the laptop and domain name. Those fees include negotiations for the Release, wherein Saenz assigned all of his interest in ZroBlack to me, and fees trying to resolve the issue post-execution of the Release. Exhibit 25 is true and correct copies of the Gunn, Lee law firm's invoices to me showing the money spent trying to recover the laptop and domain name. ZroBlack has also lost data because of Saenz's deletion of the email

server. The value of the information exceeds \$5,000.

59. Recently [REDACTED] and ZroBlack pursued a contract with the [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

60. [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

61. Because iPhones and iPads make up a significant portion of the American phone and tablet market, obtaining an Apple Developer Account was critical to the success of obtaining the [REDACTED] contract [REDACTED]. An Apple Developer Account allows developers to access Apple's IOS development code, which is necessary to implement a software solution to the security vulnerabilities discussed above. To obtain an Apple Developer Account for a company, the company is required to have a unique number issued by Dun & Bradstreet—often called a DUNS number. John Saenz obtained a DUNS number for ZroBlack when he was president and CEO of the company. That number is tied to John Saenz's ZroBlack email account and John Saenz's personal cell phone number. Apple refused to issue an Apple Developer Account to ZroBlack because it could not confirm that I owned ZroBlack and that John

Saenz was no longer involved with, or president and CEO of, ZroBlack. John Saenz refused to cooperate in rectifying this situation. His refusal includes his failure to confirm that he is no longer a member, president, and CEO of ZroBlack, his refusal to update ZroBlack's contact information, and his refusal to transfer the company's GoDaddy domain name, ZroBlack.com, to ZroBlack. Dun & Bradstreet will not update the DUNS number information without confirmation from Saenz. And without being able to confirm ZroBlack and myself are the owners of the DUNS number, Apple will not issue ZroBlack a developer account, making it impossible for myself, ZroBlack, and [REDACTED] to compete for the [REDACTED] contract. As a direct result of Saenz's refusals, ZroBlack lost the [REDACTED] contract [REDACTED] [REDACTED] ZroBlack was able to obtain the contract [REDACTED] [REDACTED]

62. Furthermore, John Saenz's continued possession of the ZroBlack laptop poses an additional security risk. The proprietary code belonging to ZroBlack on the laptop can be used to un-erase data from portable devices used to collect census data. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

63. John Saenz's conduct is not limited to ZroBlack's DUNS number. To be eligible to obtain and bid on government contracts, ZroBlack had to register for an account on SAM.gov and obtains a CAGE number. "SAM" stands for System Award Management and is a U.S. government portal for bidding on government contracts. It is managed by the Department of Transportation. Current and potential government vendors must obtain a SAM registration in order to be awarded contracts by the government. SAM.gov requires companies to obtain a SAM registration, which consists of a login name and password. SAM also issues what is known as a CAGE number. CAGE stands for "Commercial and Government Entity Code" and likewise allows businesses to qualify for federal contracts and grants.

64. John Saenz, in his former role as president and CEO of ZroBlack registered ZroBlack for a SAM.gov account and obtained a CAGE number for ZroBlack. He did this using his personal contact information. Saenz has refused to update the information for the SAM.gov account to show that he is no longer a member of ZroBlack, no longer involved in its operations, and no longer its president and CEO. Because of his refusal, ZroBlack has been greatly hindered in competing for government contracts. I have filed complaints with the Federal Help Desk and Department of Defense. Both agencies have elevated my complaint to their legal and fraud departments for investigation.

65. Exhibits 29 and 30 are true and correct copies of emails I sent to John Saenz on March 25, 2020, asking that he release access to the ZroBlack server to me. The second email (Exhibit 29) was sent from a different email address because I learned that John Saenz had blocked my email address.

66. Exhibits 31 and 32 are true and correct copies of electronic communications between me and Apple support regarding confirmation of ZroBlack's DUNS number. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

67. Exhibit 35 is a true and correct copy of a notice letter [REDACTED] sent to John Saenz reminding him of his confidentiality obligations; ZroBlack was copied on the letter. Finally Exhibit 37 and 38 are true and correct copies of communications between me and the Federal Help Desk and Defense Logistics Agency regarding ZroBlack's SAM.gov account and CAGE number.

68. Exhibits 2, 3, 5, 6, 7, 8, 9, 15, 16, 17, 25, and 39 are part of the business records of ZroBlack. I am the custodian of the business records of ZroBlack. I am familiar with the way ZroBlack created and maintained its records by virtue of my duties and responsibilities as a founding member. The exhibits are exact duplicates of the original records. The records were made at or near the time of each act, event, condition, opinion, or diagnosis set forth. The records were made by, or from information transmitted by, persons with knowledge of the matters set forth. The records were kept in the course of regularly conducted business activity. It is the regular practice of the business activity to make the records.

69. Additionally, Exhibits 9, 10, 19, 20, 21, 22, 23, 24, and 41 which are emails, and Exhibits 11, 13, 14, 18, 27, and 40 which are text messages between me and John Saenz, and Exhibits 37 and 38, emails between me and the Federal Help Desk and Defense Logistics Agency,

are also business records of ZroBlack. The emails and text messages were made at or near the time of each act, event, condition, or opinion contained therein, were made by, or from information transmitted by, persons with knowledge of the matters set forth, and were kept by me in the regular course of ZroBlack's business. It is my regular practice to keep such records.

70. Exhibit 28, [REDACTED], is also a business record of ZroBlack. The exhibit is an exact duplicate of the original. The exhibit was made at or near the time of each act, event, condition, opinion, or diagnosis set forth. The record was made by, or from information transmitted by, persons with knowledge of the matters set forth. The record was kept in the course of regularly conducted business activity. It is the regular practice of the business activity to make the records.

71. Pursuant to 28 U.S.C. § 17.46, I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 16, 2020.



---

Jonathan Villareal